weekly economic review

May 10, 2013

Labour Market

Alberta leads provinces in April job growth

Alberta gained 14,800 jobs in April, the largest monthly gain in almost two years and more than reversing March's 11,300 decline. The increase in employment was led by professional, scientific & technical services (+6,800), construction (+6,400), and accommodation & food services (+5,100). Since April 2012, the province has created 40,100 jobs, a 1.9% gain. As shown in the figure below, this increase was entirely due to gains in full-time positions (+83,000).The unemployment rate fell for the first time in six months, down 0.4 percentage points to 4.4% and remained well below the national rate of 7.2%. Alberta continues to have the second lowest rate in the country, after Saskatchewan.

At the national level, job creation resumed in April, but the increase fell slightly short of market expectations. There was little change in national employment (+12,500), reflecting very modest gains in Ontario and Quebec and losses in four of ten provinces.

Housing Starts

Alberta new home construction remains strong, bucking national trend

Alberta housing starts jumped to 39,200 in April (seasonally adjusted at annual rate, SAAR), the highest level in five months and well above the five-year average of 26,600. April's starts were 12.6% above the previous month, but 1.1% below the same month last year. Housing starts have been strong so far in 2013, averaging 35,100, largely due to high growth in single-detached starts.

Canadian new home construction continued to soften in April. Nationally, starts came in at 174,900, down 3.5% from March and 30.9% below April 2012 levels. This represents the sixth consecutive month of year-over-year declines.

New Housing Price Index

Alberta new home prices accelerate

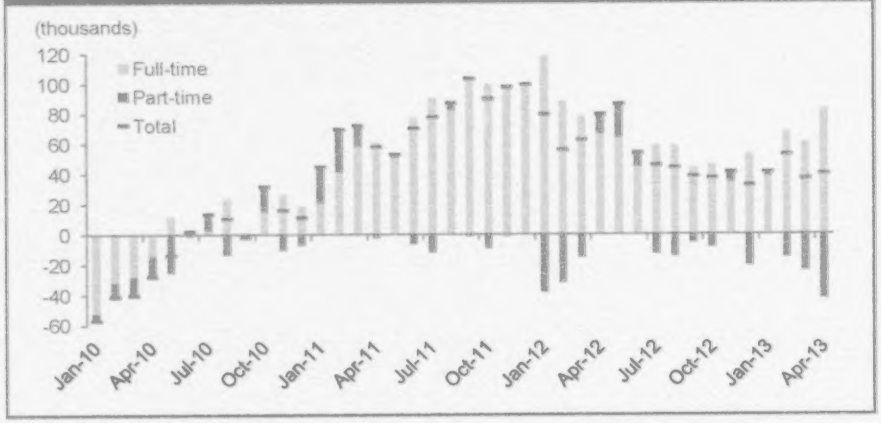
New home prices in Alberta have been picking up following years of flat or negative growth. For the first time in nearly five years, Alberta has seen prices grow at a faster year-over-year rate than the national average in the two most recent months. New home prices in Alberta rose 2.4% in March over the same month last year. The increase in prices is largely due to the housing component (+3.0%), as land prices posted a more modest gain (+1.2%). Prices in Calgary lead the province, increasing 4.3% over March 2012 compared with a 0.6% gain in Edmonton. At the national level, new home prices were up 2.0% in March compared to the same month last year.

Building Permits

Residential and institutional sectors drive permit growth

Total building permit values rose for the second consecutive month in March, advancing 22.3% over February and by 38.2% from March 2012. Institutional building permits drove non-residential permits up 69.0% year-over-year, more than offsetting declines in industrial and commercial permits. The residential sector saw permits jump 16.2% over March 2012, the twenty-first straight month of year-over-year gains.

Alberta Employment Growth by Job Type (year-over-year)



Source: Statistics Canada

Closing Price	May 2, 2013	May 9, 2013	2013-14 Fiscal YTD
Canadian Dollar (US¢/$CAN)	99.18	99.73	98.46
WTI Oil ($US/bbl)	93.90	96.39	92.79
NYMEX Natural Gas($US/MMBtu)	4.03	3.98	4.13

Alberta Economic Indicators

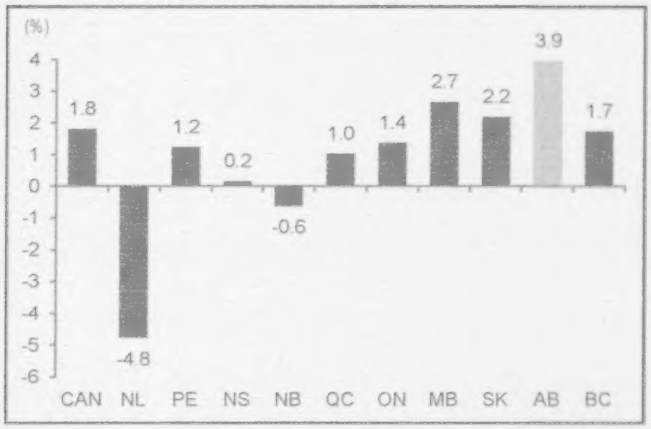
Population	2011	2012	2013YTD	Nov	Dec	Jan	Feb	Mar	Apr
Population (000's)	3,778	3,874	3,931	..	..	3,931	..	..	..
y/y % change	1.5	2.5	3.0	..	..	3.0	..	..	..
Net Interprovincial Migration[1]	8,443	28,170	25,448	..	..	11,533	..	..	..
Net International Migration[2]	16,703	37,990	17,105	..	..	6,296	..	..	..
Net Non-permanent Residents[1]	-7,604	9,721	2,813	..	..	-1,133	..	..	..
Labour Market									
NEW: Employment (000's), SA	2,095	2,149	2,176	2,165	2,161	2,159	2,157	2,153	2,183
y/y % change	3.8	2.6	2.0	1.9	1.5	1.9	2.5	1.7	1.9
NEW: Unemployment Rate (%), SA	5.5	4.6	4.6	4.2	4.6	4.5	4.5	4.8	4.4
NEW: Participation Rate (%), SA	73.7	73.4	72.7	73.0	72.9	72.9	72.9	72.6	72.5
Average Weekly Earnings ($), SA	1,035.70	1,072.75	1,091.80	1,090.61	1,091.24	1,095.14	1,083.82	1,099.77	..
y/y % change	4.4	3.6	3.6	4.4	3.9	3.6	..	..	..
Price Indices									
Consumer Price Index (y/y % change)	2.4	1.1	0.5	0.6	0.0	-0.5	0.9	1.2	..
Excluding food and energy	0.8	1.3	1.1	0.9	1.1	0.8	1.4	1	..
Non-Res. Building Cons. Price Index[3] (y/y % change)	3.4	3.8	..	..	3.0	..	..	..	..
Farm Product Price Index (y/y % change)	18.0	4.4	..	2.0	2.7	..	..	..	..
Crops	19.3	1.9	..	3.0	4.3	..	..	..	..
Livestock	16.7	6.7	..	1.0	1.4	..	..	..	..
Household Sector									
NEW: Housing Starts (SAAR, 000's)	25.7	33.4	35.1	39.9	30.2	31.0	35.3	34.8	39.2
y/y % change	5.0	30.7	5.4	52.8	5.5	-18.3	10.5	-1.6	-1.1
NEW: New Housing Price Index[3] (y/y % change)	0.4	1.3	2.4	1.7	1.9	2.2	2.6	2.4	..
Edmonton	0.9	0.9	0.8	0.8	1.0	0.9	1.0	0.6	..
Calgary	-0.1	1.7	4.0	2.8	3.1	3.3	4.3	4.3	..
MLS Average Resale Prices ($ 000's)	352.7	362.0	376.7	370.7	372.2	367.6	380.1	382.4	..
y/y % change	0.5	2.6	5.8	4.2	5.2	6.6	4.5	6.4	..
Edmonton ($ 000's)	324.2	332.7	345.2	343.0	345.9	337.6	344.0	354.0	..
y/y % change	-0.7	2.6	3.8	5.3	4.4	1.6	2.8	7.0	..
Calgary ($ 000's)	401.9	410.8	431.4	419.3	436.0	422.5	436.7	435.0	..
y/y % change	1.1	2.2	8.1	3.1	8.3	12.4	5.7	6.6	..
Retail Sales, SA (y/y % change)	6.8	6.9	6.1	4.4	4.2	2.8	4.7	7.4	..
New Motor Vehicle Sales (y/y % change)	9.6	10.6	5.0	2.6	0.7	3.6	6.5	..	..
Consumer Bankruptcies	7029	5759	858	420	346	446	412	..	..
y/y % change	-13.8	-18.1	-18.3	-27.2	-28.4	13.7	-22.7	..	..
Business Sector									
Rigs Drilling	286	250	303	258	287	368	422	305	115
y/y % change	30.4	12.6	9.5	21.8	-16.6	8.2	8.1	9.4	-18.2
Goods Exports, customs based (y/y % change)	18.4	1.8	1.4	-2.8	13.1	1.5	2.0	1.4	..
Energy	19.2	2.1	0.6	1.3	-16.9	1.2	4.0	0.6	..
Farm, Fishing and Intermediate Food	27.2	20.6	5.3	6.3	20.0	3.8	6.7	5.3	..
Farm Cash Receipts (quarterly, y/y % change)	15.2	15.0 (YTD)	..	..	..	..	..	..	..
Manufacturing Shipments, SA (y/y % change)	18.1	5.5	1.5	-5.4	4.0	1.6	1.4	..	..
Wholesale Trade, SA (y/y % change)	14.7	10.9	5.1	5.1	3.7	3.6	6.5	..	..
NEW: Building Permits, SA (y/y % change)	11.8	14.8	28.0	44.7	-5.4	24.7	19.9	38.2	..
Residential	5.2	18.2	14.9	23.3	2.2	21.2	7.8	16.2	..
Non-residential	20.9	10.7	47.1	78.4	-13.0	30.6	36.1	69.0	..
Business Bankruptcies	264	230	24	15	16	10	14	..	..
y/y % change	-30.2	-12.9	-46.7	21.1	-11.1	-50.0	-44.0	..	..

1 Quarterly, annual numbers are presented on a census year basis (July 1—June 30)
2 Quarterly, average of Calgary and Edmonton
3 Average of Calgary and Edmonton
YTD (year-to-date) represents the change since the beginning of the year compared to the same period in the previous year. "SA" denotes seasonally adjusted. "SAAR" denotes seasonally adjusted at annual rate

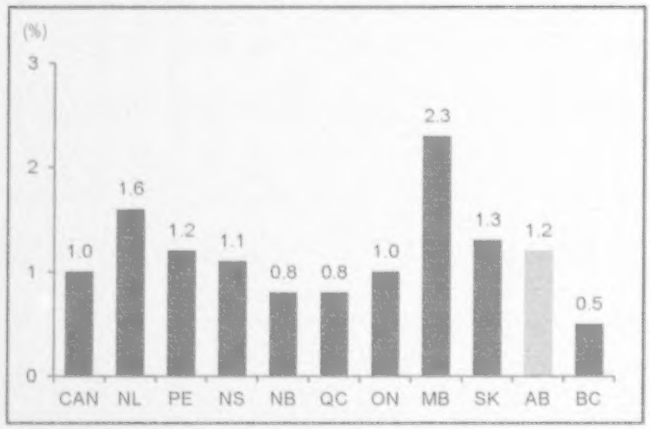
Sources: All data is from Statistics Canada except Housing Starts (Canada Mortgage and Housing Corporation), MLS Average Resale Prices (Canada Real Estate Association), Rigs Drilling (Canadian Association of Oilwell Drilling Contractors) and Bankruptcies (Office of the superintendent of Bankruptcy Canada).

Economic Indicators by Province

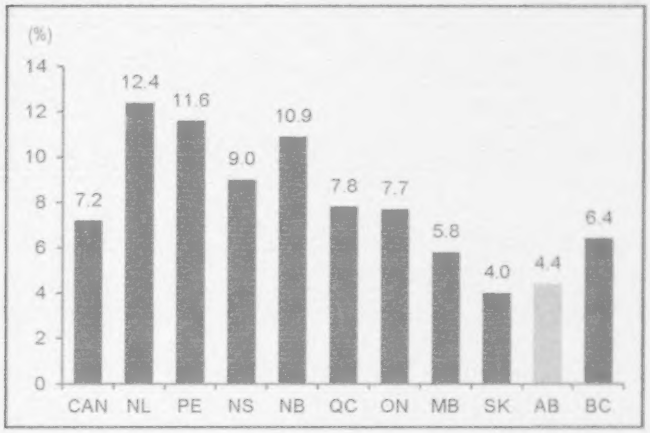
Real GDP by Industry
(2012, year-over-year growth)



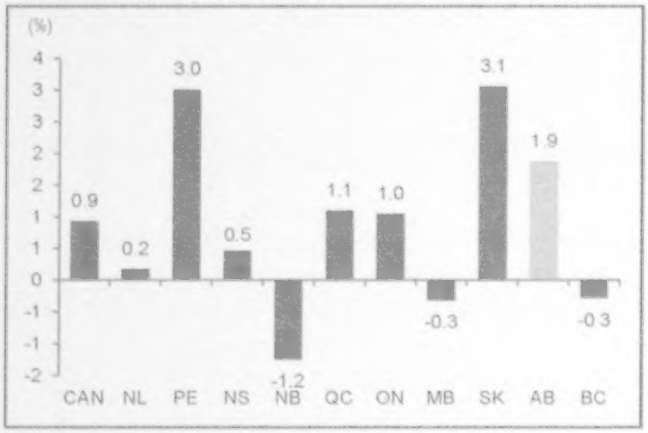
CPI Inflation
(March 2013, year-over-year growth)



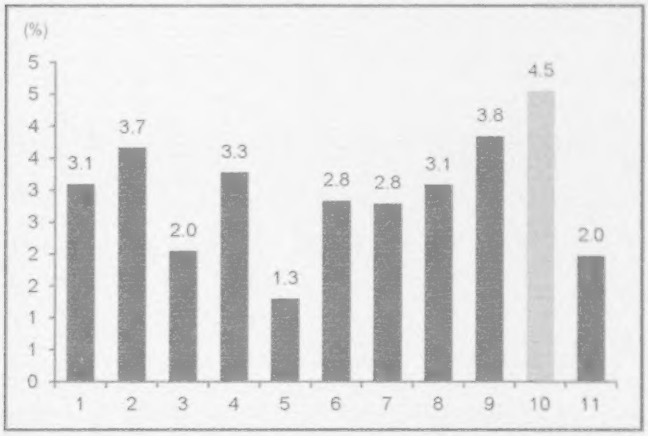
Unemployment Rate
(April 2013)



Employment
(April 2013, year-over-year growth)



Average Weekly Earnings
(February 2013, year-over-year growth)



Housing Starts
(April 2013, SAAR, year-over-year growth)